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PUBLIC ADVOCATE ADVISORY

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Attorney General's Proposal Reducing Electric Bill Costs for Bethel Residents Approved by RCA

(Juneau) – On November 22nd the Regulatory Commission of Alaska (RCA) entered an order approving a five-percent reduction in electric rates for residents of Bethel. The reduction was part of a settlement proposed by Attorney General Gregg Renkes, in his role as Public Advocate for utility issues before the RCA, and agreed to by the Bethel Utilities Corporation, Inc. (BUCI).

In the docket, U-03-11, Renkes elected to participate in the rate case involving BUCI. Prior to a hearing before the RCA the utility agreed to reduce its rates by 5.2% as a result of pre-filed testimony by the Attorney General's Regulatory Affairs & Public Advocacy section (RAPA). That testimony demonstrated excesses in executive compensation, rate base, and other operating expenses that are improper to include in consumer rates.

"Energy costs significantly impact residential customers and other entities. Based on the facts it was apparent that a rate reduction was appropriate," said Renkes. "In the larger picture, my involvement as public advocate dovetails with ongoing efforts to address high energy costs as a barrier to economic development in rural Alaska – a priority issue for the Department of Commerce, Community and Economic Development and for the Administration."

The RCA's November 22nd order accepted the stipulated settlement resolving all outstanding issues related to revenue requirements filed by BUCI. As a result Bethel consumers will soon see a five-percent net decrease in their electric rates.

"I am pleased that we were able to avoid the expense of an administrative trial in this case, while still achieving a rate decrease for electric ratepayers in the Bethel area," said Renkes. "This is the kind of efficient and effective outcome that produces pocketbook results for utility consumers."

A copy of the RCA's order accepting stipulation is available online at: http://www.state.ak.us/rca/orders/2004/u03011 12.pdf.

The proposed stipulation is available online at: http://www.state.ak.us/rca/Headlines/041027 2.pdf.

For additional information on this topic please contact Chief Assistant Attorney General for Regulatory Affairs & Public Advocacy Section Daniel Patrick O'Tierney at (907) 269-5200.

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